



Department of Motor Vehicles  
Rental Tax  
P.O. Box 27422  
Richmond, VA 23261-7422

RT420 (Rev. 07/04)

## MOTOR VEHICLE RENTAL TAX RETURN

**Reports are due the 20<sup>th</sup> day of the month following the reporting period**

Please read the instructions on the back before preparing this return.

License Number		Report Month And Year	
Name Of Business		FEIN/SSN	
Street Address	City	State	Zip Code
(Check Applicable Box) <input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town    of _____			

**(Attach a Schedule of Additional Tax (RT424) for more than one location.)**

ITEMS	(A) 4% RENTAL TAX	(B) 4% ADDITIONAL TAX	(C) 2% RENTAL FEE
1. Gross Proceeds On Motor Vehicle Rentals For Reporting Period			
2. Credit For Bad Debts			
3. Bad Debt Recovery			
4. Adjusted Gross Proceeds (Line 1 plus Line 3 minus Line 2)			
5. Governmental Rentals			
6. Re-Rentals			
7. Total Exemptions (Line 5 plus Line 6)			
8. Net Proceeds (Line 4 minus Line 7) <i>Enter amount in Column B into Column C also.</i>			
9. Rate	.04	.04	.02
10. Liability (Line 8 times Line 9)			
11. Adjustments (Attach a statement explaining the adjustment.)			
12. Adjusted Liability (sum or difference of Lines 10 and 11)			
13. Penalty on Late Returns (see instructions to determine amount to enter)			
14. Subtotal (Line 12 plus Line 13)			
15. Interest (Line 14 times 1½% [.015])			
16. Total Liability (Line 14 plus Line 15)	\$	\$	\$

<b>17. Combined Total Liability (Total of amounts in Columns A, B, and C, Line 16.)</b>	<b>\$</b>
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☐ **Final Return** (Comply with Section 24VAC 20-100-520 of the Virginia Motor Vehicle Rental Tax Rules and Regulations)

**ANY CREDIT IN ONE COLUMN CANNOT REDUCE THE AMOUNT DUE IN ANOTHER COLUMN**

### PAYMENT INFORMATION

<b>Check payment method.</b> <input type="checkbox"/> Check or money order (made payable to DMV) <input type="checkbox"/> ACH Credit-Bank Transfer (If this is your first payment by bank transfer, please call (804) 367-6838 for instructions. Your payment must be <b>RECEIVED</b> by the due date to avoid penalty and interest.)	<input type="checkbox"/> ACH Debit-Bank Draft (An ACH authorization allowing DMV to debit funds from your bank account is required and can be obtained at <a href="http://www.dmvnow.com">www.dmvnow.com</a> .) By checking this box, entering a payment on Line 17 above, and signing this tax report, you are certifying that you have an ACH authorization on file with DMV and you are authorizing DMV to debit your bank account for the payment due.
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### CERTIFICATION

I certify that I have read this report and all supporting documents; and know and understand their contents and that all information on both the report and supporting documents is true and accurate and complete.		
Authorized Representative's Signature		Date
Authorized Representative's Name (PLEASE PRINT)		Title
Telephone Number ( )	Fax Number ( )	e-mail Address

**SEE IMPORTANT INFORMATION ON BACK**

## IMPORTANT INFORMATION

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**WHICH TRANSACTIONS TO REPORT:** Report only those vehicle rental transactions that are for less than 12 months.

**WHEN TO REPORT A TRANSACTION:** Report rental vehicle transactions **ONLY** after the vehicle has been returned.

**REPORTING PERIOD:** The return reporting period runs from the first day of the calendar month in which the rental vehicles were returned to the last day of that month.

**DUE DATE:** Your return must be postmarked and payment of the tax and fee made on or before the 20<sup>th</sup> day of the month following the reporting period.

**HOW OFTEN TO FILE:** You are required to file a return monthly, even if no rental transactions occurred during the month.

NOTE: You are **not** required to file a *Schedule of Additional Tax* (RT424) with returns indicating no rental activity. You are required to file a *Schedule of Additional Tax* (RT424) with returns submitted by businesses with more than one location.

**PENALTIES:** A penalty of 10% is applied to **all** returns and payments postmarked **after** the due date.

**INTEREST:** Interest is charged on tax, fee, and penalty on delinquent returns at the rate of 1½% per month or portion of a month. The month begins on the 21<sup>st</sup> day of the month the tax and fee are due and ends on the 21<sup>st</sup> day of subsequent months. Interest is not due on returns with no tax or fee liability.

**OUT OF BUSINESS:** If you have sold your company or are no longer in the rental business, check the *Final Return* box below Line 17 on the front of the return.

**RETENTION PERIODS:** Retain a copy of this return and schedules as an essential part of your tax records for four years.

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### INSTRUCTIONS

- COLUMN A** (4% Rental Tax): Applies to rental transactions for all vehicles (except mobile offices) with a gross vehicle weight or gross combined weight of 26,000 pounds or less.
- COLUMN B** (4% Additional Tax): Applies to **all** rental transactions (**except** motorcycles, manufactured homes, mobile offices and storage trailers under 26,000 pounds).
- COLUMN C** (2% Additional Fee): Applies to the **same proceeds as Column B**.

1. Gross Proceeds - Enter the gross rental proceeds.
2. Credit for Bad Debts - Enter the total amount of bad debts on rental transactions charged off as worthless for federal income tax purposes.
3. Bad Debt Recovery - Enter the amount of bad debts reported on a previous return (Line 2) that was subsequently collected during the current reporting period.
4. Adjusted Gross Proceeds - Follow the instructions provided.
5. Government Rentals Exemption - Enter the portion of your gross proceeds from rentals to any of the following:
  - Federal Government or any of its agencies,
  - State of Virginia or any Virginia town, city, or county,
  - volunteer fire department or rescue squad operated in Virginia as non-profit.
6. Re-Rentals Exemption - Enter your gross proceeds received from rentals to another licensed renter for the purpose of re-rental.
7. Total Exemptions - Follow the instructions provided.
8. Net Proceeds - Line 4 minus line 7 for Columns A and B. Enter the same net proceeds in Column C as shown in Column B.
9. Rate - The rate used to calculate the liability.
10. Liability - Follow the instructions provided.
11. Adjustments - Enter the amount of any credit, tax or fee due from a previous reporting period and attach a statement explaining the adjustment.  
Note: Enter credits as a negative number. Enter taxes and fee due as a positive number.
12. Adjusted Liability - Follow the instructions provided.
13. Penalty (if required) - Determine the amount to enter as follows:
  - (a) If the figures on Line 12 in Columns A, B, and C are \$100 or less, enter \$10 in each column.
  - (b) If the figures on Line 12 in Columns A, B, and C are more than \$100, enter 10% in each column.
14. Subtotal - Follow the instructions provided.
15. Interest (if required) - Follow the instructions provided.
16. Total Liability - Follow the instructions provided.
17. Combined Total Liability - Follow the instructions provided.

Mailing Address  
Department of Motor Vehicles  
Rental Tax  
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If you have questions or need help completing this return, contact a Rental Tax Representative at:  
(804) 367-4324 (voice) (804) 367-0233 (fax) (800) 272-9268 (deaf and hearing impaired) [www.dmvnow.com](http://www.dmvnow.com) (web)